DEPARTMENT: Administration  BY: Mike Coffield  PHONE: 966-4744
County Administrative Officer

RECOMMENDED ACTION AND JUSTIFICATION: (Policy Item: Yes___ No x___)
Resolution Approving Request for Proposals for the County Audit for Fiscal Years 1992/93 through 1996/97

BACKGROUND AND HISTORY OF BOARD ACTIONS:
The Board of Supervisors on May 28, 1991 awarded a five year contract to Pongratz, Boden and Brown for the County audit services. Due to late receipt of some of the audit reports from this contractor, the Auditor and the Judge of the Superior Court have advised that it would be wise to request proposals from other accountants for audits. The present contract may be cancelled due to the late audit reports.

This action requests proposals for the audits for five fiscal years beginning 1992/93.

LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
1. Approve the request for proposals. A new contract will be awarded August 19, 1993.
2. Do not approve the request. The County will continue until 1995 with the present contract and the audits may continue to be untimely.
3. Make changes to the requests and approve as changed.

SPECIAL INSTRUCTIONS:
List the attachments and number the pages consecutively:
Request for Proposals & Draft Contract

ADMINISTRATIVE OFFICER'S RECOMMENDATION:
This item on agenda as:
Recommended
Not Recommended
For Policy Determination
Returned for Further Action

Comment:

A.O. Initials: 

7-6AUDIT  Action Form Revised 5/92
REQUEST FOR PROPOSALS

AUDIT FOR THE COUNTY OF MARIPOSA

1992/1993 TO 1996/97

Issuance Date: June 30, 1993
This is a request for proposals from qualified certified Public Accountants to perform audit duties for the five fiscal years consisting of 1992/93, 1993/94, 1994/95, 1995/96 and 1996/97 on behalf of the Board of Supervisors and the Grand Jury of Mariposa County.

This request for proposals solicits your anticipated cost to perform audits in the first year, including those audits required pursuant to Section 926 et seq. of the California Penal Code and Section 25250 of the Government Code. Estimated costs of future year audits are also requested, though not binding. Retention for subsequent audits is dependent upon adequate performance in the prior year as determined by the County.

PERIOD OF COVERAGE

Mariposa County requests a careful and complete examination of accounts and records of all officers, departments and functions of the County for each of the fiscal years in this agreement, except as otherwise provided by agreement.

REQUIREMENTS

The selected Accountant is requested to supply 32 copies of a report regarding the adequacy and efficacy of records in each office covered by the audit, with such recommendations as the Accountant may deem fit and proper, including the following financial audits.

1. General County audit.

2. Single audit procedures for Federal Grant Programs.

3. Required Transportation Development Act fiscal compliance audits.

4. Separate Justice and Superior Court audits in conformance with State Controller Guidelines.

5. Housing and Community Development Agency audit in accordance with Audits of Public Housing Authorities by Independent Public Accountants (U. S. Department of Housing and Urban Development Handbook 7476.1); Standards for Audit of Governmental Organizations, Programs, Activities, and Functions (issued by the U.S. General Accounting Office); Single Audit Act of 1984; and Audits of State and Local Governments (Office of Management and Budget Circular No. A-128).

DELIBERABLES

The final report shall contain at least the following:

1. An alphabetical index of County officials or departments.

2. A "letter of presentation" setting forth a description of Accountant's services and an opinion in conformity with Rule 58 of the California State Board of Accountancy on the fairness of the balance sheet and statements of revenues, expenditures, receipts, disbursements and surplus or balance of each and every fund.

3. Any qualifications on that opinion.

4. Financial statements consisting of the balance sheets, statements of revenues, expenditures, receipts, disbursements, and surplus or balance of each and every fund, and statements of changes in fund balance.

5. All other exhibits, schedules, and other data necessary for proper presentation of the results of the examination.

6. Also included in the final report should be comments on the following:
   
a. Any indication of the misappropriation of public money or the irregular disbursement thereof.

b. The effectiveness of the accounting systems and the internal control features, including an examination of budget appropriations and funds to see that they agree and are property accounted for.

c. Any improper maintenance or non-maintenance of required books, records or accounts pertaining to financial transactions.

d. The actions taken, if any, on those recommendations contained in each previous Auditor's report.

e. Recommendations on required changes to bring County's accounting procedures within the applicable provisions of California State law.

ADDITIONAL ITEMS

In addition to the above, the County may, on a case-by-case basis, solicit the cost of performing additional analyses.
A review of several transient occupancy tax payers to determine if the taxes paid reflect the appropriate percentage of the actual room rental income may also be requested on a separate time and materials basis.

**FINANCIAL ARRANGEMENTS**

This request provides that the Accountant submit a proposal for each segment of the audit, including a list of the hourly rate schedules for the various classifications of personnel utilized in the audit.

**TIMELINES**

A written proposal on the attached form must be received from interested accounting firms by Thursday, 5:00 p.m., July 29, 1993, at the County Administrative Office, 5100 Bullion Street, P. O. Box 784, Mariposa, CA 95338.

All proposals must be clearly marked on the outside of the envelope - SEALED AUDIT PROPOSAL. Opening of proposals is scheduled for 8:00 a.m. Friday, July 30, 1993 at the County Administrative Office. Award will be made at the regularly scheduled Board of Supervisors meeting on Tuesday, August 17, 1993.

**CONTRACT**

Attached is a draft contract for services. The successful bidder will be asked to sign this agreement with the County unless significant changes are necessary to conform to this Request for Proposals or are mutually acceptable. Questions concerning the accounting system should be directed to the Mariposa County Auditor, Evelyn Billings, P. O. Box 156, Mariposa, CA 95338, 209-966-5719. Questions regarding this Request for Proposals should be directed to the County Administrative Officer, Mike Coffield, P. O. Box 784, Mariposa, CA 95338, 209-966-3222.

**attachments:** Mariposa COUNTY Proposal for Audit for the COUNTY of Mariposa 1992/93 Fiscal Year
Mariposa COUNTY Audit Agreement

auditpro.doc
6/28/93
MARIPOSA COUNTY

PROPOSAL FOR AUDIT FOR THE COUNTY OF MARIPOSA
1992/93 FISCAL YEAR

Submitted by:
Firm Name: ________________________________
Address: __________________________________
Contact: ________________________________ Title: ____________
Telephone: ________________________________ Date: ____________

Audits:

General County Audit $ _______________
Single Audit Requirement $ _______________
TDA Fiscal Compliance Audits $ _______________
Superior and Justice Court Audits $ _______________
Management Reports $ _______________
Housing & Community Development Agency Audit $ _______________

Total 1992/93 $ _______________

Anticipated Total Charges in Each Successive Year of 5-Year Agreement

1993/94 ______________________ 1994/95 ______________________
1995/96 ______________________ 1996/97 ______________________

I am duly authorized to bid this firm to contractual obligations as outlined in the accompanying Request for Proposals.

Signed by: ________________________________
Title: _____________________________________
MARIPOSA COUNTY AUDIT AGREEMENT

THIS AGREEMENT, is made and entered into on the date or dates last below written by and between "ACCOUNTANT" and the 1993/94 GRAND JURY of the COUNTY of Mariposa, hereinafter referred to as "GRAND JURY" and the COUNTY of Mariposa, hereinafter referred to as "COUNTY".

WITNESSETH:

I. That for and in consideration of the sum hereinafter agreed, for the fiscal years 1992/93, 1993/94, 1994/95, 1995/96, and 1996/97, to be paid to ACCOUNTANT, ACCOUNTANT agrees to make for GRAND JURY and COUNTY, pursuant to the provisions of Section 925 et seq. of the California Penal Code, which reads as follows:

"County officers, departments or functions, operations; accounts and records, investigations and reports.

The GRAND JURY shall investigate and report on the operations, accounts, and records of the officers, departments, or functions of the COUNTY including those operations, accounts, and records of any special legislative district or other district in the COUNTY created pursuant to state law for which the officers of the COUNTY are serving in the ex officio capacity as officers of the districts. The investigations may be conducted on some selective basis each year, but the GRAND JURY shall not duplicate any examination of financial statements which has been performed by or for the board of supervisors pursuant to Section 25250 of the Government Code; this provision shall not be construed to limit the power of the GRAND JURY to investigate and report on the operations, accounts and records of the officers, departments, or functions of the COUNTY. The GRAND JURY may enter into a joint contract with the board of supervisors to employ the services of an expert as provided for in Section 926."

and Section 25250 of the Government Code, which reads as follows:

"Examination and audit of financial accounts and records of officers.

At least biennially the board of supervisors shall examine and audit, or cause to be audited, the financial accounts and records of all officers having
responsibility for the care, management, collection, or disbursement of money belonging to the County or money received or disbursed by them under authority of law.

The audit shall encompass the immediately preceding two-year period, or any portion thereof not included in a prior audit. This financial examination or audit may be performed in coordination with the investigations conducted by the Grand Jury under Section 925 of the Penal Code, or the board of supervisors may resolve to accept reports delivered pursuant to Section 933.9f the Penal Code in lieu of its own separate examination if such reports are found to fulfill some or all of the requirements of this section. In connection with the requirements of this section and Section 25253 the board of supervisors may employ the services of an independent certified public Accountant or licensed public Accountant to perform an examination of the financial statements in accordance with generally accepted auditing standards."

A careful and complete examination of the accounts and records of all the officers, departments, and functions of the County of Mariposa, including the accounts and records of all such officers which are kept in their ex officio capacity as incumbents or officers of any special legislative district or other district in the COUNTY created pursuant to State law, for the period from July 1, 1992 to June 30, 1997 on a fiscal year basis, except as otherwise provided in this AGREEMENT, and as determined based upon the attached response to Request for Proposals, which is incorporated herein by reference. ACCOUNTANT shall report as to the facts found and on the adequacy and efficiency of the records in each office covered by the audit with such recommendations as ACCOUNTANT may deem fit and proper, subject to the following provisions:

A. ACCOUNTANT may review audits conducted by the County Auditor's office on the monthly cash statements (sample attached) provided to the Auditor's office by the COUNTY departments listed in Exhibit "A" attached hereto, and, if they are considered adequate such monthly cash statements reports may be included in ACCOUNTANT'S report by reference and appropriate comments made. However, ACCOUNTANT shall personally inspect receipt books from which said monthly cash statements are prepared. Such Departments who submit monthly cash statements for the period covered by this AGREEMENT are shown on Exhibit "A" attached hereto.

B. ACCOUNTANT shall examine, on a test basis, disbursements made by COUNTY and reimbursement claims submitted by child support enforcement programs to determine the accuracy of such disbursements and claims and that proper procedures have been followed. ACCOUNTANT shall also determine that funds have been used in accordance with the various funding source requirements. Regulations relative to Federal and State subvention programs are available at the office of the County Auditor.
C. In addition to the audits required above, ACCOUNTANT shall provide an audit of the following:

1. At the request of the GRAND JURY. See Exhibit "B".
2. At the request of COUNTY. See Exhibit "C".

D. A "careful and complete examination" is defined as a review of records within the offices of all the officers of the COUNTY of Mariposa, establishing by means of testing that items of cash reported as having been received have in fact been received and recorded by the said offices. It shall also include the testing of disbursements by references to canceled warrants and supporting documents supplied by vendors or other supporting evidence of payment.

II. ACCOUNTANT agrees to appear in person before the GRAND JURY, the Audit Committee, and the Board of Supervisors of the COUNTY of Mariposa, at any time during the performance of this AGREEMENT, and to consult with and report as to the progress of the audit and all other matters pertaining thereto, when requested to do so by the GRAND JURY, the Audit Committee, the County Administrative Officer, or the Board of Supervisors.

III. ACCOUNTANT may consult with the County Counsel of Mariposa County on legal problems arising during the course of the audit.

IV. ACCOUNTANT shall consult with the County Administrative Officer of Mariposa County concerning the preliminary findings of the Audit as they are developed.

V. ACCOUNTANT shall commence the 1992/93 audit immediately upon the signing of this AGREEMENT, and shall commence 1993/94, 1994/95, 1995/96 and 1996/97 audits and shall prosecute the audit diligently until completed. The audit shall be conducted according to those generally accepted auditing standards as recognized by the American Institute of Certified Public Accountants.

VI. ACCOUNTANT shall have access to and shall be permitted to use figures, tabulations, statistical schedules, and other data already assembled or prepared by the County Administrative Officer, the County Auditor and the County Treasurer or the personnel of their respective offices for COUNTY purposes, but such statements shall not be copied verbatim and used as a representation of results of services for the final report
acknowledgment is made that they were prepared by the County Auditor or the County Treasurer. Neither the County Auditor or the County Treasurer nor any members of their respective staffs shall be employed by ACCOUNTANT in connection with the within audit nor shall the County Auditor or the County Treasurer nor any personnel in their respective departments be called upon to perform any service other than the performance of the regular duties of their respective offices.

VII. ACCOUNTANT shall supervise the work of all persons selected by him. In the event ACCOUNTANT subcontracts any portion of this work, ACCOUNTANT agrees to select only such auditing firms and Accountants as may be approved in writing by GRAND JURY and the COUNTY prior to the performance of any work sub-contracted. Should the services of any personnel employed by ACCOUNTANT be, for any reason whatsoever, unsatisfactory to GRAND JURY or to the COUNTY, such personnel shall be promptly removed from the assignment. Notice of such unsatisfactory performance shall be given in writing by GRAND JURY or the COUNTY to ACCOUNTANT, and shall be effective immediately upon receipt thereof. The term "personnel" as used herein includes auditing firms.

VIII. All books, records, figures, notes, materials, and information of every character, kind and description of the ACCOUNTANT or ACCOUNTANT'S employees relating to this AGREEMENT shall be retained by ACCOUNTANT in confidential files for a period of five (5) years. Said records shall be made available at ACCOUNTANT'S office during all regular business hours to the COUNTY, GRAND JURY, and to all subsequent Grand Juries and their respective agents for the requisite five (5) year period, after which said records may be burned.

IX. The examinations findings and reports of ACCOUNTANT shall be held as confidential by him and reported only to GRAND JURY and COUNTY. However should ACCOUNTANT deem it essential to the completion or accuracy of this audit that his examination or findings involving a particular department be revealed to or discussed with a department head, he may do so, provided the prior consent of the COUNTY is first obtained.

X. GRAND JURY and COUNTY shall pay ACCOUNTANT out of current funds of said COUNTY for the services herein specified for Audit of the 1992-1993 fiscal year the sum of ________________________ ($______). Upon approval of ACCOUNTANT'S statement by GRAND JURY and COUNTY, the sum as specified above shall be paid to ACCOUNTANT by the County Treasurer out of the General Fund of said COUNTY upon warrants drawn by the County.
Auditor upon the written order of a Judge of the Superior Court of said COUNTY. However, it is mutually understood and agreed that GRAND JURY and COUNTY shall not pay ACCOUNTANT more than said maximum of

__________________________ ($______), for all services rendered pursuant to this AGREEMENT, except for such additional services as may be required by GRAND JURY or the COUNTY. COUNTY and ACCOUNTANT shall mutually agree upon the sums to be paid for the 1992-1993 through 1996-1997 fiscal year audits before ACCOUNTANT begins work on each of the respective audits.

XI. In the event the audit develops irregularities or unforeseen conditions requiring investigation beyond the scope of the regular audit, a report of such conditions shall be made by ACCOUNTANT to GRAND JURY and the COUNTY. Should further investigations be authorized and directed by GRAND JURY or the COUNTY, additional compensation therefore:

- shall be paid to ACCOUNTANT at the hourly rates of each class of accountants and clerical help engaged in said additional services as specified on Exhibit "B" attached hereto;

- shall be upon certificate by ACCOUNTANT specifying the hours of service of each class of accountants and clerical help engaged therein; and

- upon approval by GRAND JURY or the COUNTY, as appropriate, shall be paid by the County Treasurer out of the General Fund of COUNTY upon warrants drawn by the County Auditor upon the written order of a Judge of the Superior Court of COUNTY.

XII. It is further agreed that GRAND JURY may require that ACCOUNTANT audit such additional departments, districts, funds and programs as it deems necessary to fulfill its function under Section 925 of the Penal Code, with the concurrence and approval of the Superior Court of the State of California for the County of Mariposa; additional compensation therefore shall be paid to ACCOUNTANT upon the same basis as set forth in Paragraph XI herein.

XIII. ACCOUNTANT shall bear the expense incidental to the typing of reports and for stationery and materials used in the report and during the course of the audit. ACCOUNTANT shall bear all incidental traveling expenses incurred by ACCOUNTANT and his staff.
XIV. It is further understood and agreed that GRAND JURY may also require that ACCOUNTANT report as to the adequacy of the independent audit of the records and accounts of the Special Districts in the County of Mariposa to enable GRAND JURY to determine whether additional investigation and examination is required, and GRAND JURY shall compensate ACCOUNTANT for such additional services in the manner set forth in Paragraph XI herein.

XV. It is further mutually agreed that the Board of Supervisors of COUNTY or the GRAND JURY may terminate this AGREEMENT at any time. However, if only GRAND JURY or COUNTY terminates this AGREEMENT, the PARTY not terminating the AGREEMENT may enter into a new agreement, within twenty (20) days after such termination, with ACCOUNTANT to complete the audit, on the same terms Conditions and payments as set forth herein, but omitting the PARTY which has terminated the AGREEMENT. If said PARTY does not enter into such a new agreement within said twenty (20) day period, ACCOUNTANT shall be entitled to receive pro-rata payment for the services which he has rendered prior to the notification of such termination.

XVI. Interim reports of the audit shall be submitted to GRAND JURY and the COUNTY immediately upon completion. Upon completion of the final report and not later than December 31, 1993; December 31, 1994; December 31, 1995; December 31, 1996; and December 31, 1997, the final report of the audit shall be submitted by ACCOUNTANT to GRAND JURY and the COUNTY.

XVII. ACCOUNTANT shall file copies of the final report of the audit, except the Transportation audits, as follows:

- nineteen (19) copies for Grand Jury
- seven (7) copies for the Board of Supervisors;
- one (1) copy for County Counsel;
- three (3) copies for the County Clerk;
- two (2) copies for the County Auditor;

ACCOUNTANT shall file copies of the final report of the transportation audits as follows:

- ten (10) copies for the County Auditor
- one (1) copy to Public Works Transportation Planning; and
- one (1) copy to Community Services Transit.
XVIII. The final report shall contain at least the following:

A. An alphabetical index of COUNTY officials and departments.

B. A "letter of presentation" setting forth a description of ACCOUNTANT’s services and an opinion in conformity with Rule 58 of the California State Board of Accountancy on the fairness of the balance sheet and statements of revenues, expenditures, receipts, disbursements, and surplus or balance of each and every fund. If ACCOUNTANT is unable to render an unqualified opinion and a qualified opinion is given, the reasons for such qualifications shall be fully explained.

C. Financial statements consisting of the balance sheet statements of revenues, expenditures, receipts, disbursements, and surplus or balance of each and every fund, and statements of changes in fund balance.

D. A summarized schedule of accountabilities for each department including a summary of all revolving fund and trust balances at June 30, 1993; June 30, 1994; June 30, 1995; June 30, 1996; and June 30, 1997.

E. All other exhibits, schedules, and other data necessary to proper presentation of the results of the examination.

F. Comments on the following:

1. Any indication of the misappropriation of public money or the irregular disbursement thereof. (In addition, ACCOUNTANT shall submit an immediate oral or written report to GRAND JURY upon discovery of any such indication of misappropriation or irregular disbursement.)

2. The effectiveness of the accounting systems and the internal control features, including an examination of budget appropriations and funds to see that they are being properly accounted for.

3. Any improper maintenance or non-maintenance of required books, records or accounts pertaining to financial transactions.

4. The action taken, if any, on those recommendations contained in the previous fiscal year GRAND JURY Auditor’s report.

XIX. It is further agreed by and between the PARTIES hereto that in the event ACCOUNTANT performs services under this AGREEMENT which are subsequently determined not to be charges against the COUNTY of Mariposa, neither COUNTY, the GRAND JURY not any of its members shall be held liable for any such expenditures.
COUNTY OF MARIPOSA

Date:______________ By:________________________

ERIC J. ERICKSON
Title: Chairman
Mariposa County Board of Supervisors

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

ATTEST:

__________________________
MARGIE WILLIAMS
Clerk of the Board

__________________________
JEFFREY G. GREEN
County Counsel

The foregoing is hereby approved this ______ day of_______ 1993.

__________________________
RICHARD L. MC MECHAN
Judge of the Superior Court of the State of
California in and for the County of Mariposa
State of California,
County of ...

---

I, ........................................

do swear that the fee record in my office contains a true statement in detail of all fees and compensation of every kind and nature for official services rendered by me, my deputies and assistants, and the amount of all fines, and trust money, received, disbursed, and on hand, for the month of .........................................., A.D. 19........, and that the fee record shows the full amount received or chargeable in that month, and that neither I, nor to my knowledge or belief, any of my deputies or assistants have rendered any official service, except as provided in Chapter 2, Division 7, Title 1 of the Government Code, which is not fully set out in the fee record, and that the foregoing statement thereof and of cash collected, paid, and held by me or under my control for the month of ........................................................., 19........, and of other matters, is complete, true, and correct.

Subscribed and sworn to before me this ...

........................................day of ........................................, 19........

---
Monthly Cash Statement

County of .............................................. State of California,

hereby renders the following cash statement of all money handled by ........................................
in ........................................ official capacity during the month of ........................................, 19........,
showing cash on hand at the beginning of the month, collections and payments during the month, and cash on hand at the end of the month, each item properly classified as to funds and accounts affected and as to whether or not it is payable into the county treasury, to wit:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
EXHIBIT "A"

County Departments Submitting Cash Statements

Agricultural Commission
Airport
Assessor
Auditor/Recorder
Board of Supervisors/Administration
Building Department
Constable/Animal Control
County Clerk
County Counsel
District Attorney - Criminal/Family Support
Engineer/Surveyor
Fire Department
Health Department
Housing and Community Development
   Parks and Recreation
Justice Court
Library
Planning Department
Probation
Senior Nutrition
Senior Services
Sheriff/Coroner
Social Services
Superior Court
Transit
Treasurer/Tax Collector
Public Works Department:
   Building Maintenance
   Roads
   Solid Waste
   Transportation Planning
   Vehicle Maintenance
Special Districts:
   Coulterville Service Area
   Don Pedro 1M Service District
   Don Pedro Sewer
   Mariposa Pines
   Yosemite West Maintenance District

Exhibit "A"
EXHIBIT "B"

ADDITIONAL AUDITS
AT THE REQUEST OF THE GRAND JURY

None
EXHIBIT "C"

ADDITIONAL AUDITS
AT THE REQUEST OF THE COUNTY

Transient Occupancy Tax